"Ukraine - Developments in the Aftermath of the Orange Revolution"

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Mr. Chairman and members of the Committee, on behalf of the National Democratic Institute (NDI), I am pleased to have the opportunity to speak about recent developments in Ukraine. American non-governmental organizations, including NDI, the International Republican Institute and the National Endowment for Democracy, have been involved in Ukraine since the early 1990s. Together and with support from Congress, these groups have worked cooperatively and productively to support democratic development in Ukraine. Since 1992, NDI has conducted programs in Ukraine aimed at strengthening democratic political parties, parliamentary groups, and civic organizations. I appreciate the chance to highlight these achievements and the opportunities facing Ukraine today.

I. Introduction

The events surrounding the 2004 presidential election have fundamentally changed Ukraine's political and social landscape. Following the Orange Revolution and its momentous consequences, Ukraine now faces the daunting task of establishing stability and normalcy across the country, developing a new perspective on governance, and instituting political and economic reforms.

Viktor Yushchenko was sworn into office in January 2005 after democratic party leaders chose to forsake their individual political ambitions and coalesce together behind a common candidate and a united call for free and fair elections. Many of these leaders are now members of the government. Today, almost eight months later, there have been important successes. The Yushchenko administration has made tackling corruption a main feature of its reform agenda and to meet this goal has taken promising steps, such as dismissal of the notoriously corrupt traffic police and imposing new restrictions on customs and VAT duties. Ukraine has taken a leading role in the regional coalition GUAM (formed of Georgia, Ukraine, Azerbaijan, and Moldova) and is speaking out for a peaceful resolution of the Transdnistria conflict and for freedom in Belarus. The government has ultimately made a decision on the intended re-privatization of ill-gotten businesses.

Parliamentary elections scheduled for March 2006 will be an important test of this government's ability to sustain the support of the Ukrainian people. NDI expects to see elections that are well organized and conducted by an impartial Central Election Commission under conditions of transparency. NDI is encouraged to see that the

government has decided to recognize and amend electoral legislation to allow domestic nonpartisan election observers, as prescribed by Ukraine's decision to sign the 1993 Copenhagen agreement of the OSCE. There remain challenges to the election process, including a first-ever fully proportional election for the parliament and the task of replacing corrupt central, territorial, and precinct election offices with new officials.

The success of the Ukraine experiment depends, in the final analysis, on the ability of the Yushchenko government to actively engage and inform citizens at every stage of the reform process. Citizens of Ukraine currently have high expectations. They will need to understand that the sacrifices they will be asked to make will ultimately result in more political and economic opportunities and a more democratic society. The Yushchenko government will need to engage in a dialogue with citizens so that the needed reform process has a constituency amongst the citizens of Ukraine. The success of the 2006 parliamentary elections will determine the government's ability to mold support for reforms, implement these reforms, and continue on the path of creating a democratic Ukraine.

II. Civil Society Must be Engaged

One of the most positive developments in Ukraine's democratic transformation has been the growth of civil society. From the Soviet- era human rights activists who gained new momentum in the early 1990s through the young people who called for President Kuchma's ouster last year, civil society has been a consistent bright spot on the Ukrainian political landscape.

Most civic groups that engaged in political activism in the Kuchma era were harassed. This mainly took the form of selective government enforcement of tax and other policies and attempts to intimidate individual leaders. Following the events of 2004, NDI has found that Ukrainian civil society has emerged intact and newly energized by opportunities for reform. The following hallmarks of the civil sector offer particular promise for continued progress:

Participation of Young People

Pora (Enough) the civic group that last year brought thousands out into the streets is a youth-based movement. But, youth activism has a longer history in Ukraine. Since 1994, NDI helped a network of mainly young people all over the country form the Committee of Voters of Ukraine (CVU) the country's largest non-partisan politically active NGO. With more than 100 branches throughout the country, CVU has attracted tens of thousands of young people into Ukrainian political life through the experience of monitoring elections, promoting linkages between citizens and government bodies, and citizen education programs. Between elections, the young activists leading CVU's grassroots chapters have created sophisticated, regional and national programs to monitor government responsiveness to citizens and involve Ukrainians in political life in their communities.

CVU, *Pora*, and others groups like them are adjusting to new roles as government "watchdogs" in Ukraine's political environment. Particularly at the local level, they are finding that changes come slowly. Government officials often maintain long-standing attitudes of the Soviet era. The current government has yet to attempt extensive administrative reforms and citizen "watchdog" groups are, of course, appropriate even in the most developed democracies.

Focus on Stemming Corruption

Anger at official corruption and abuse of government authority has found outlets in hundreds of small community movements. These NGOs are driven by farmers outraged by corruption in the land privatization process, by small business people fed up at selective tax and other government inspections, by motorists weary of being shaken down by police. NDI has provided assistance to dozens of such groups throughout Ukraine. In many cases they have successfully lobbied for changes to laws and regulations have called for the removal of corrupt officials. These NGOs are generally isolated from the international community, and poorly funded but intensely determined, fired by a group of individuals who believe they are searching for justice. The success of these groups testifies to the breadth and depth of indigenous civic activism in Ukraine.

Ukraine now boasts a full range of civic groups that represent many constituencies, including women, children, the elderly, the disabled, environmentalists, and others. While some of these groups are still in the process of defining their agendas, the very range of their activity is positive. It speaks to the ability of the Ukrainian political system to provide a vehicle for involvement for political activists of every stripe and citizens with every form of grievance.

III. Changes must be made at all Levels of Government

Since January, President Yushchenko sent a new group of leaders to the top of Ukraine's power structure, but left intact a sprawling government bureaucracy. Today, despite appointing new ministers, the Yushchenko administration has had to rely on existing mid-level and local level bureaucrats. This is the case especially in the regions. In further instances, the Yushchenko has faced additional problems with newly appointed Oblast governors not adopting or implementing reforms.

The bureaucracy has been characterized by a Soviet-era governing philosophy, nepotism, and entrance barriers for talented young people. The development of a professional civil service is also hindered by holdover policies from the Kuchma administration. Until there are visible changes in the government or reforms at the lowest levels, it will be difficult to convince citizens that the Yushchenko government represents a change from the previous regime.

To this end, NDI is launching an internship and new staff development program geared toward bringing young professionals into government institutions and developing the skills of new hires. Participants will take part in an exchange program in Poland, Latvia,

Estonia and other eastern European countries where they will work alongside civil servants to gain practical skills and develop deeper insights into the principles and practical execution of democratic governance. The participants will then return to Ukraine to begin or resume work in government ministries. This program will identify and train promising Ukrainian youth, including those recruited by the government, in an effort to create a talent pool of qualified professionals capable of carrying out the countless reforms proposed by the new regime.

IV. Conclusion

Ukraine and its democratic future are important to the region and to the world. Democrats in Eastern Europe and elsewhere in the former Soviet Union are looking to Kyiv for inspiration. If Ukraine can successfully move toward Western Europe and the Atlantic community, so too can Moldova and Belarus, Azerbaijan and Armenia, and even the states of Central Asia. Russia, too, will be influenced by what happens in Ukraine – in a positive direction if things go well, in a negative direction if things go poorly. The developments in Ukraine, Georgia, and now Kyrgyzstan are all examples for the rest of the world. The success of these developing democracies will make more untenable the remaining authoritarian regimes across Eurasia.

The international community has learned that dramatic democratic transitions do not guarantee a democratic state. Developing a democratic Ukraine will require sustained international assistance to the government of Ukraine to complete its necessary political and economic reforms.

Ukraine has a long and difficult road ahead. The hopeful beginnings of 2005 need to be encouraged, supported, and strengthened. Congress has in its power to assist by focusing on professional exchanges, supporting the international community working in Ukraine, partnering with Ukraine on anti-corruption measures, and assisting the government with restructuring and improving the rule of law. In addition, congressional support for assistance to the parliament of Ukraine in 2006 under the Democracy Assistance Commission would be useful and deeply appreciated.

Ukraine is on the right trajectory, but the future is not assured. We must seize the opportunity to help create a democratic, socially responsible society. The US must invest sufficient resources into Ukraine to ensure its success.